

**Forum:** ECOSOC  
**Issue:** Economic Development for Small Island States in the Southeast Asia Region  
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**Position:** Head Chair

### Introduction

Small Island Developing States or SIDS face great obstacles in their development because of their limited area, small population, lack of natural resources, vulnerability to environmental disasters, and reliance on trade with other countries ("Small Island Developing States"). These countries have little economic opportunity and are easily affected by outside influences, since they rely so heavily on global trade. ("Small Island Developing States"). Even though the South-East Asian region is experiencing steady economic growth, the SIDS in this region are being held back because of the obstacles they face in creating sustainable economies ("Small Island Developing States").

The development and environmental state of countless SIDS are closely related. Many SIDS have seen their foundations completely ripped apart by external environmental factors. In addition, the fast growing population can't always keep up with economic growth since many of these SIDS are already limited by their resources and capacity to provide for their people ("Programme of Action for the Sustainable Development of Small Island Developing States").



Map of SIDS around the world

(note: sorry the countries can't all be seen, the link for the map is below)  
([http://en.wikipedia.org/wiki/Small\\_Island\\_Developing\\_States](http://en.wikipedia.org/wiki/Small_Island_Developing_States))

### Definition of Key Terms

SIDS- "low-lying coastal countries that tend to share similar sustainable development challenges, including small but growing populations, limited resources, remoteness, susceptibility to natural disasters, vulnerability to external shocks, excessive dependence on international trade, and fragile environments" ("Small Island Developing States").

Sustainable Development- "refers to a mode of human development in which resource use aims to meet human needs while ensuring the sustainability of natural systems and the environment, so that these needs can be met not only in the present, but also for generations to come" ("Sustainable Development").

Vulnerable- "capable of or susceptible to being wounded or hurt, as by a weapon" ("Vulnerable").

Economic Shock- "An event that produces a significant change within an economy, despite occurring outside of it. Economic shocks are unpredictable and typically impact supply of demand throughout markets" ("Economic Shock").

### General Overview

Economic development for SIDS in the southeast Asian region is key for the overall success of these SIDS. A strong economy helps increase the chances of stability during natural disasters, global crises, and any other kind of external influence. Southeast Asia on the whole has enjoyed rapid growth and growing recognition in the past decade, but much work still needs to be done. From 1980-2000, the importance of SIDS in global commodity trade reduced by half (0.4% of goods exported in the world to 0.2% of goods exported in the world) ("Special Challenges Facing SIDS in Trade and Economic Development").

Unfortunately, the GDP and exports of SIDS fluctuate and thus, are very unstable. This is either because of natural disasters that destroy tourist areas, or because of financial crises that greatly

affect the economy of SIDS since they rely so heavily on other nations ("The Growing Vulnerability of Small Island Developing States"). Economic underdevelopment in SIDS is defined by income per capita, education and health quality, relative sizes of different sectors, and ability to overcome vulnerability ("The Growing Vulnerability of Small Island Developing States"). A huge problem that SIDS are currently facing is how to diversify the economy and provide more industries to rely on in case of external shock. Another problem would be the dependence on other countries for imports ("The Growing Vulnerability of Small Island Developing States"). For example, Singapore has few resources of its own and must import most things from other countries. Even a basic, but vital resource like water must be imported from neighboring countries like Malaysia.

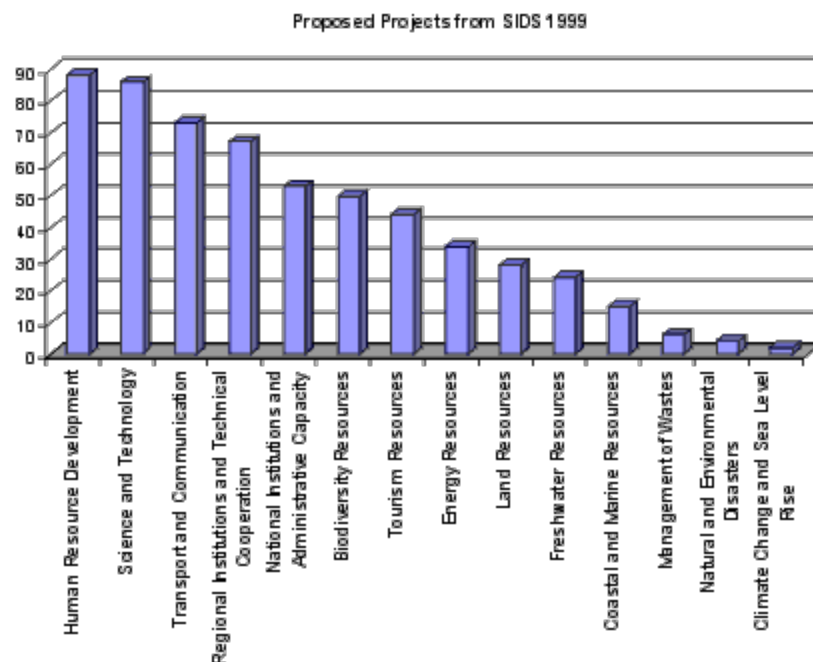


Chart depicting the amount of different project proposed for the development of small island states since 1999

<http://www.unescap.org/MCED2000/pacific/background/funding.htm>

#### Major parties involved in this issue

Singapore

Despite all the setbacks of being a small coastal country, Singapore is doing extremely well with

its free market economy, low corruption rates, high GDP, and stable currency and prices. ("List of Small Island Developing States"). The Singaporean economy relies heavily on exports, especially in the manufacturing and technological industries, so any hits to these sectors like during 2001-2001 recession can lead to great losses and damage ("List of Small Island Developing States"). After the recession, the government worked on building a more stable plan for growth, while still continuing to foster Singapore's' growth the financial center for Southeast Asia ("List of Small Island Developing States").

#### East Timor

In comparison to Singapore, East Timor (Timor Leste) has had some issues in building up its economy. In 1999, Indonesian troops and anti-independence troops destroyed 70% of East Timor's infrastructure. ("List of Small Island Developing State"). However, with the presence of international forces and 5000 peacekeepers it slowly rebuilt its economy. Many refugees from the conflict between East Timor and Indonesia returned by 2002. Unfortunately, drought in 2003 and the loss of international presence strongly affected the economy again ("List of Small Island Developing States"). here are still challenges with rebuilding infrastructure and creating more jobs for the young workforce. Some promising projects like harnessing the oil and gas in nearby waters keep the country going, but lots of work still needs to be done. ("List of Small Island Developing States").

### Ease of Doing Business in *SIDS*

1. Singapore	17. Dominica
2. Mauritius	18. Solomon Islands
3. St.Lucia	19. Palau
4. Fiji	20. Papua New Guinea
5. Antigua and Barbuda	21. Marshall Islands
6. Tonga	22. Seychelles
7. St.Vincent and the Grenadines	23. Dominican Republic
8. Belize	24. Guyana
9. Maldives	25. Micronesia
10. Samoa	26. Cape Verde
11. Vanuatu	27. Suriname
12. Jamaica	28. Comoros
13. St.Kitts and Nevis	29. Haiti
14. Trinidad and Tobago	30. São Tomé and Príncipe
15. Grenada	31. Timor-Leste
16. Kiribati	32. Guinea-Bissau

Table depicting the ease of doing business (licenses, paying taxes, employing workers) in SIDS around the world. Singapore is at the top while Timor-Leste is near the bottom.

<http://www.doingbusiness.org/reports/regional-reports/small-island-developing-states/>

### Timeline of Events (source: (Rietbergen, Simon) )

<b>1990</b>	<b>Formation of the Alliance of Small Island States (AOSIS)</b>
<b>1992</b>	<b>Agenda 21 (pertaining to SIDS) adopted during the United Nations conference on Environment and Development</b>
<b>2002</b>	<b>World Summit on Sustainable Development created the Johannesburg Plan of Implementation (JPOI) which includes a section for the development of SIDS</b>
<b>2006</b>	<b>The Global Islands Partnership (GLISPA) was created</b>

<b>2007</b>	<b>United Nations framework convention on climate change held two important meetings regarding small island developing states</b>
<b>2007</b>	<b>The United Nations Department of Social and Economic affairs held a meeting on monitoring SIDS</b>

#### UN Involvement, Relevant Resolutions, Treaties and Events

The United Nations Environmental Program has made the development of small island states one of its primary goals. A 14 area plan has been created to ensure that all aspects of the development of small island states have been covered.

One aspect of economic development for SIDS that the United Nations has been focusing on is tourism. Article 8 in the program of action for the sustainable development of small island developing states that planning and policies created for sustainable tourism should be implemented, and that attention should be paid to land-use and coastal zone management. In addition, this clause requires that all tourism projects assess environmental impact and continue to monitor this impact throughout the project (“Programme of Action for the Sustainable Development of Small Island Developing States”).

The United Nations also focuses on economic building for small island developing states. Article 15 in the same program states that promoting private sector investment and regulating financial markets by using financial mechanisms like small-scale grants and micro-finance loans should be explored by SIDS in order to achieve a more harmonious and sustainable economy (“Programme of Action for the Sustainable Development of Small Island Developing States”).

#### Possible Solutions

Some solutions to the problem of economic development for small island states in the Southeast Asia region are:

1. Diversify the economy by branching out into different markets and sectors so that the country can generate some source of revenue in case of external shock. Countries should focus on two to four industries so that they don't spread themselves out thin or have too few industries to rely on in case of any external/internal disasters.
2. Further develop renewable energy resources so that reliance on petroleum and other non-renewable fossil fuels can be cut down. This will help the economy by reducing the reliance on other countries for energy sources, while helping to protect valuable ecosystems. Some possible renewable energy resources could include solar energy, wind energy, hydropower, and geothermal energy.
3. Develop better natural disaster planning with the help of environment committees so that the economy is not devastated if there happens to be an environmental disaster. This could include shelter planning for refugees in natural disasters and moving major economic areas more inland to avoid monsoons, typhoons, hurricanes, and tsunamis.

Extra possible sources for research:

<http://www.sids2014.org/>

<http://www.unesco.org/new/en/natural-sciences/priority-areas/small-island-developing-states>

<http://whc.unesco.org/en/sids/>

<http://www.un.org/special-rep/ohrlls/sid/list.htm>

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*Why UNEP Is Focusing on SIDS.* N.p.: n.p., n.d. Web.

<[http://www.unep.org/regionalseas/publications/brochures/pdfs/SIDS\\_booklet.pdf](http://www.unep.org/regionalseas/publications/brochures/pdfs/SIDS_booklet.pdf)>.